

Message Text

CONFIDENTIAL

PAGE 01 BUENOS 01755 131804Z

72

ACTION ARA-10

INFO OCT-01 ISO-00 SP-02 AID-05 EB-07 NSC-05 CIEP-01

TRSE-00 SS-15 STR-01 OMB-01 CEA-01 CIAE-00 COME-00

FRB-03 INR-07 NSAE-00 XMB-02 OPIC-03 LAB-04 SIL-01

PA-01 PRS-01 USIA-06 /077 W
----- 034964

R 131715Z MAR 75

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC 0304

INFO AMEMBASSY CARACAS

C O N F I D E N T I A L BUENOS AIRES 1755

DEPARTMENT PASS TREASURY AND COMMERCE

E.O. 11652: GDS

TAGS: EFIN, AR

SUBJECT: EXTERNAL CREDITS: FIRST NATIONAL CITY BANK (FNCB)
OFFERS IMPORTANT FINANCIAL PACKAGE

REF BUENOS AIRES 34

1. EMBASSY HAS LEARNED FNCB HAS OFFERED GOA, REPORTEDLY ON ALL OR NOTHING BASIS, MAJOR FINANCIAL PACKAGE (TOTALLING \$500 MILLION) TO SUPPORT BALANCE OF PAYMENTS IN 1975. FNCB ITSELF WOULD TAKE APPROXIMATELY \$250 MILLION, ARRANGING WITH OTHER FINANCIAL INSTITUTIONS FOR PLACEMENT OF REMAINING \$250 MILLION. GOA IS CONSIDERING OFFER WHICH STILL CONFIDENTIAL. FNCB SOURCE WHO PROVIDED EMBASSY WITH INFORMATION SAID HE UNDERSTOOD GOA SEEKING SIMILAR LEVEL OF CREDITS FROM VENEZUELA, WHICH MIGHT BE PREFERABLE TO GOA IF AVAILABLE.

2. FNCB FINANCIAL PACKAGE CONSISTS OF SEVERAL ELEMENTS INCLUDING \$100 MILLION IN DISCOUNTS OF EXPORT RECEIVABLES, \$100 MILLION OF EXTERNAL BOND PURCHASES, \$100 MILLION SPECIAL CREDIT LINES TO OFFICIAL BANKS AND \$200 MILLION IN SYNDICATED EURO-DOLLAR
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BUENOS 01755 131804Z

LOAN FOR PUBLIC ENTITIES. LATTER WOULD INCLUDE \$50MILLION FOR

YPF, \$50 MILLION FOR SEGBA, \$50 MILLION FOR GAS DEL ESTADO,
AND \$50 MILLION FOR AGUA Y ENERGIA. OF TOTAL OF \$500 MILLION,
FNCB ITSELF WOULD TAKE \$40 MILLION OF EXPORT DISCOUNTS,
\$40 MILLION OF EXTERNAL BONDS, ALL OF SPECIAL CREDIT LINES
TO OFFICIAL BANKS AND \$60 MILLION OF SYNDICATED LOAN FOR PUBLIC
ENTITIES FOR TOTAL OF \$240 MILLION.

3. COMMENT. FNCB CONTINUES TO TAKE OPTIMISTIC VIEW ARGENTINA'S
FUTURE. PRESENT FINANCIAL PACKAGE COULD WELL HAVE BEEN PUT
TOGETHER WITH CLOSE COLLABORATION OF GOA. IT APPEARS TO HAVE
BEEN DESIGNED SPECIFICALLY TO MEET GOA BALANCE OF PAYMENTS
FINANCING REQUIREMENTS THIS YEAR. WE WOULD APPRECIATE
ANY INFORMATION AVAILABLE EMBASSY CARACAS ON POSSIBLE
VENEZUELAN LOAN TO ARGENTINA.
HILL

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CREDIT, ECONOMIC ASSISTANCE, FINANCIAL DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 13 MAR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975BUENOS01755
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750088-0733
From: BUENOS AIRES
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750356/aaaabxof.tel
Line Count: 76
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 75 BUENOS AIRES 34
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 02 SEP 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02 SEP 2003 by CunninFX>; APPROVED <03 SEP 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EXTERNAL CREDITS: FIRST NATIONAL CITY BANK (FNCB) OFFERS IMPORTANT FINANCIAL PACKAGE
TAGS: EFIN, AR, FNCB
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006